

ReedSmith

Andrew L. Morrison
Direct Phone: 212.521.5422
Email: amorrison@reedsmith.com

APR 24 2007

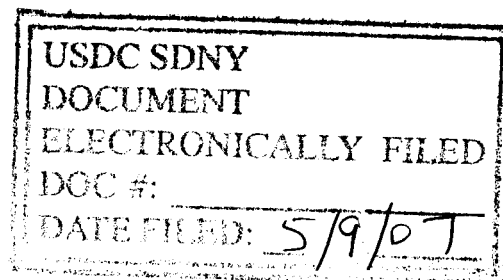
CHAMBERS OF
JAMES PAULEY

Reed Smith LLP
599 Lexington Avenue
New York, NY 10022-7650
+1 212 521 5400
Fax +1 212 521 5450

April 24, 2007

BY FACSIMILE

Honorable William H. Pauley
United States District Court Judge
United States District Court
Southern District of New York
500 Pearl Street
Chambers 2210
New York, New York 10007



Re: Pegasus Integrated Consulting Corp. v. rue21, Inc.
07 cv 3245 (WHP)

Dear Judge Pauley:

We represent defendant rue21, Inc. ("rue21") in connection with the above-referenced action. rue21 removed this breach of contract action to this Court by Notice of Removal filed on April 23, 2007.

Procedural Setting

Pursuant to Fed. R. Civ. P. 81(c), rue21 has five days after April 23, 2007 to respond to the Complaint. As set forth below, rue21 believes it has a meritorious motion to dismiss the Complaint or, in the alternative, to change venue. However, Section 2(A) of the Court's individual practices requires a pre-motion conference prior to a motion to dismiss and also provides a five day period for exchange of letters regarding an application for a pre-motion conference.

Accordingly, rue21 is presented with the possibility that it will not be able respond to the Complaint in a timely fashion while following the procedure to obtain a pre-motion conference. We write to the Court to respectfully request the Court (1) to deem this letter to be a request for a pre-motion conference; and (2) to "so order" this letter to extend rue21's time to respond to the Complaint to a date to be determined by the Court at the requested conference, but at least ten (10) days after such conference.

Basis for Motion

This is an action for breach of contract and other related claims filed by plaintiff, Pegasus Integrated Consulting Corp. ("Pegasus") against rue21 to recover sums Pegasus claims it is owed pursuant to certain rue21 purchase orders ("Purchase Orders"). On April 3, 2007, Pegasus commenced this action against rue21 by the filing of a Summons and Complaint in the Supreme Court of the State of New York, New York County, Index No. 07/061111. On April 23, 2007, rue21 timely filed a Notice of Removal in the United States District Court for the Southern District of New York.

Honorable William H. Pauley
April 24, 2007
Page 2

ReedSmith

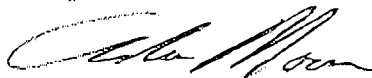
Although Pegasus conspicuously failed to attach them to the Complaint, the Purchase Orders under which Pegasus seeks recovery, and which Pegasus admits constitute "binding contracts," each contain a forum selection clause mandating that this action be filed in the United States District Court for the Western District of Pennsylvania or in Pennsylvania State Court in Allegheny County, Pennsylvania. Because Pegasus filed suit outside of the mandatory forum, rue21 will move this Court for an Order, pursuant to Fed. R. Civ. P. 12(b)(3) or 12(b)(6), or, alternatively, pursuant to 28 U.S.C. § 1406(a) dismissing the Complaint for improper venue. Alternatively, rue21 will seek an Order, pursuant to 28 U.S.C. § 1404(a), transferring this case to the United States District Court for the Western District of Pennsylvania. Moreover, to the extent the Court declines to dismiss or transfer this case for improper venue, rue21 will move the Court for an Order, pursuant to Fed. R. Civ. P. 12(b)(6), dismissing the Complaint for failure to state a claim because Pegasus is not the Vendor with respect to the subject Purchase Orders and has no right to sue with respect to the transactions at issue.

Counsel for rue21 has attempted to contact counsel for Pegasus and has left a voicemail requesting consent to the within request, but has not yet been able to speak directly with said counsel.

Conclusion

Accordingly, we respectfully request the Court to schedule a conference to discuss rue21's contemplated motion and to extend rue21's time to respond to the Complaint to a date to be determined at the conference, but at least ten (10) days after such conference.

Respectfully submitted,



Andrew L. Morrison

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cc: Tony C. Chang, Esq. (via facsimile)

SO ORDERED:


U.S.D.J. 5/4/07

An initial pre-trial conference
and pre-motion conference will
be held in courtroom 11D on
May 18, 2007 at 12:00 p.m. The
deadline to answer is extended to
May 30, 2007.